

**Hamilton County, Ohio 1<sup>st</sup> Amendment to the Neighborhood Stabilization Program 2 (NSP2)  
Cincinnati/Hamilton County Consortium Approved Plan**



**August, 2016**

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### **Overview**

The Cincinnati-Hamilton County NSP2 Consortium (CHCNC) intends to amend its approved NSP2 plan to add Census Tracts 218.02, Block Groups 1 through 4; and the adjacent census tract 219.00, Block Groups 1 and 2, to the target areas for Hamilton County's NSP2 rehabilitation and redevelopment activities. We used HUD's NSP3 mapping tool to confirm that the Neighborhood NSP3 Score for this new area is 19.71, which is above the minimum threshold of 17. The addition of these two census tracts will allow us to fund a 12-unit female veterans' rental housing project and seven new single family homes.

### **Proposed Projects and Procurement Process**

Hamilton County issued a Request for Proposals (RFP) to solicit applications for affordable housing projects throughout Hamilton County. The projects will be funded with HOME Investment Partnership Program (HOME) funds and the remaining NSP2 program income. The RFP outlined the NSP2 target areas (Golf Manor, Mt Healthy and Lincoln Heights), but also allowed for projects to be submitted if the area would qualify as an NSP2 target area. We received 12 proposals in total, two of which were located in Lincoln Heights. We contracted with the National Development Council to provide underwriting of all projects. One of the Lincoln Heights proposals was incomplete and the developer failed to provide a complete application after two follow up attempts. The second proposal in Lincoln Heights did not pass underwriting guidelines as established by HUD. The Board of County Commissioners approved funding five projects as recommended by the Housing Subcommittee of the Community Development Advisory Committee. The funds include \$1.0 million in HOME Investment Partnership Program (HOME) funds and \$600K in Neighborhood Stabilization Program (NSP) funds. The two projects that were awarded NSP funds are outlined below:

1. **Annabelle's Place**- Volunteers of America (VOA) is constructing twelve units of female veteran rental housing in the City of North College Hill. They will receive \$400,000 in NSP funds for this project. Total construction is estimated at \$1.4 million. They are applying for LEED certified tax credits from the Ohio Housing Finance Agency (OHFA) for this project.
2. **West College Hill Homes**- Habitat for Humanity will build seven new construction single family homes for low to moderate income families in the West College Hill neighborhood, part of Springfield Township. They will receive \$200,000 in NSP funds (funding four homes) and an additional \$150,000 in HOME Funds (for three homes). The total project cost is estimated at \$900,000.

## **FACTOR 1- Need/Extent of the Problem**

### **A. Target Geography**

NSP2 funds must be used in target areas that can show a measureable impact. One of the census tracts we are adding, 218.02, is located in the community of North College Hill. This jurisdiction has been the recipient of NSP1 and NSP3 funds. The area has benefitted from several single family rehabilitations, new construction and demolition activities in the past. The NSP3 Mapping Tool shows that this census tract, when isolated, has a Needs Assessment score of 20. The second census tract, 219.00, is adjacent to the first census tract and is a small pocket community that was developed in 1910 as the Steele Subdivision. It was one of the first places in the County where African Americans could purchase land. Ohio was originally mapped as 1,362 townships. Some townships have been totally absorbed into cities or towns. In Hamilton County we have 12 remaining townships, but several of them, including Springfield Township, have non-contiguous pockets of land. This neighborhood is a non-contiguous portion of Springfield Township and is called "West College Hill". This community's Needs Assessment score is 19. We will be utilizing NSP2 funds to fund this project which will jumpstart development projects to in this area which is in great need of investment.

### **B. Market Conditions and Demand Factors**

The market conditions and demand factors discussed in the initial NSP2 application still apply to these high-scoring census tracts. Although North College Hill and the West College Hill neighborhood in Springfield Township were not called out specifically in this study, these neighborhoods suffer from similar issues plaguing many of Hamilton County's first ring suburbs. As stated in the study, these areas are suffering from an overall lack of demand and overabundance of vacant/abandoned and aged housing stock.

## **FACTOR 2- Demonstrated Capacity and Relevant Organizational Staff**

### **A. Past Experience of the Applicant**

Grantee has demonstrated capacity by meeting all deadlines imposed by HUD regarding NSP1, NSP2 and NSP3 funds. We have been monitored on three occasions and there have been no findings.

### **B. Management Structure**

No changes to the management structure.

## **FACTOR 3- Soundness of Approach**

### **A. Proposed Activities**

All proposed activities would fall under Eligible Use E: Redevelopment, which was utilized for other NSP2 projects. We are adding a new target area for the existing activity.

#### B. Project Completion Schedule

The Volunteers of America project, Annabelle's Place, will begin construction in the Fall of 2016, and be completed by Summer 2017. Habitat for Humanity's single family homes will begin construction in 2017 and will be completed in 2018.

#### C. Income Targeting

The Volunteers of America project will target female veterans that are low to moderate income; some of them may have experienced homelessness. There will be twelve new apartments, two of which will accommodate a mother and child, with common living space funded with this project.

Habitat for Humanity families will provide housing for families with household incomes up to 80% Area Median Income (AMI). There will be seven new construction single family homes funded with this project.

#### D. Continued Affordability

As outlined in our original plan, these units will be new construction with affordability periods of 20 years.

#### E. Consultation, Outreach, Communications

As outlined in our original plan, we consulted with staff members in these communities (North College Hill and Springfield Township) prior to the RFP deadline. Both developers, the VOA and Habitat for Humanity, met with them as well and received letters of support from North College Hill and Springfield Township officials.

#### F. Performance and Monitoring

As outlined in our original plan, Hamilton County, as the lead agency, assumes the overall monitoring role of the NSP2 program. We will continue to monitor the new projects for the duration of the affordability period.

### **FACTOR 4- Removal of Substantial Negative Effects**

#### A. Leveraged Funds

Annabelle's Place will receive \$400,000 in NSP funds and the total project cost is \$1.5 million. They have General Partner Equity of \$580,000, and have secured funding through the Home Depot Foundation. They are applying for gap financing through Ohio Housing Finance Agency for LEED certified tax credits. VOA is also applying with the Cincinnati Development Fund and several local banks for assistance.

Habitat for Humanity will utilize \$200,000 in NSP dollars and \$150,000 in HOME dollars or roughly 30% of total project costs. They also utilize corporate grants, in kind donations, foundation grants, individual donations, ReStore profits, and homeowner and volunteer labor. The total project cost is \$900,000.

B. Rubric

There are no changes to the Rubric.

**FACTOR 5- Energy Efficiency Improvements and Sustainable Development Factors**

A. Transit accessibility

Both new census tracts are transit accessible, as defined by HUD as being in a census tract with convenient bus service. They have access to bus service every twenty minutes during rush hour or access to an express commuter route. Hamilton County is served by Southwest Ohio Regional Transit Authority (SORTA). Census Tract 218.02 is served by bus routes 17 and 15X, and Census Tract 219.00 is served by bus routes 17 and 41.

B. Green Building Standards

As outlined in our original plan, our staff created a Rehabilitation Standard, which includes a Green Standard, which must be followed by any contractor utilizing NSP dollars. Specifics can be found in the approved plan. All of the Green Building Standards will be met or exceeded.

C. Re-use of cleared sites

There is no change to our approved plan with the additional census tracts.

D. Deconstruction

There is no change to our approved plan with the additional census tracts.

**FACTOR 6- Neighborhood Transformation and Economic Opportunity**

There is no change to our approved plan with the additional census tracts.